

Message Text

CONFIDENTIAL

PAGE 01 SEOUL 05306 092216Z

14

ACTION COME-00

INFO OCT-01 EA-07 ISO-00 EB-07 /015 W

----- 083853

R 090836Z JUL 76

FM AMEMBASSY SEOUL

TO SECSTATE WASHDC 8231

CONFIDENTIAL SEOUL 5306

E.O. 11652: GDS

TAGS: BEXP KS

SUBJ: ROK ELECTRONIC SWITCHING PROJECT

REF: STATE 161265, SEOUL 2389

1. IN CONVERSATION WITH LOCAL REPRESENTATIVE OF GENERAL TELEPHONE AND ELECTRONICS (GTE) WILLIAM R. MORLEY, HE CONFIRMED THE GTE BID ON THIS PROJECT WAS FOR 100 PERCENT AMERICAN PRODUCTS AT THE BEGINNING WITH A PHASE-IN OF 90 PERCENT LOCAL PRODUCTION OVER FIVE YEARS AS REQUIRED BY THE TERMS OF THE TENDER. FINANCING OF THE GTE PROPOSAL WILL BE A PROBLEM AND GTE EXPECTS TO APPROACH EXIMBANK AND/OR COMMERCIAL SOURCES FOR FINANCING. GTE IS WILLING TO GO INTO JOINT VENTURE WITH EQUITY CAPITAL WITH ANYBODY SUGGESTED BY THE KOREAN GOVERNMENT AND WOULD NOT BE OPPOSED TO A FOUR-WAY JOINT VENTURE WITH TWO KOREAN COMPANIES PLUS ITT AND GTE. GTE IS NOT INTERESTED AT THIS TIME IN THE TRANSFER OF TECHNOLOGY OR A LICENSING AGREEMENT WITHOUT THE JOINT VENTURE.

2. IN A CONVERSATION WITH AMBASSADOR, ITT REPRESENTATIVES CONFIRMED THAT THEIR INITIAL EQUIPMENT WITH SUPPLIER CREDITS IS TO BE PROVIDED FROM BELGIUM. JOHN PURDY, PRESIDENT OF ITT FAR EAST SAID, HOWEVER, THAT 35 PERCENT OF THE BELGIUM EQUIPMENT ACTUALLY CAME FROM THE U.S. ITT EXPRESSED WILLINGNESS TO TRANSFER TECHNOLOGY AND/OR LICENSING IN THEIR PROPOSAL TO THE ROK BUT APPEARED TO BE OPPOSED TO THE IDEA OF THE FOUR WAY JOINT VENTURE MENTIONED IN PARA ONE ON THE GROUNDS THAT GTE AND ITT HAD TWO DIFFERENT SYSTEMS WHICH WOULD HAVE TO BE INSTALLED SEPARATELY. ON A JOINT VENTURE PROPOSAL PURDY SAID ITT WOULD SUPPLY THE EQUITY CAPITAL AND FELT IT HAD NO PROBLEM IN OBTAINING THIS

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SEOUL 05306 092216Z

FROM THE U.S.

3. A MORE COMPLETE REPORT ON THIS PROJECT IS BEING DEVELOPED
BUT WE ARE AWAITING FOR THE FINAL ROK JULY 12 DATE FOR SUBMIS-
SION BY ALL BIDDERS OF ADDITIONAL INFORMATION.

SNEIDER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 09 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: KelleyW0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976SEOUL05306
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760266-0701
From: SEOUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760774/aaaacmkh.tel
Line Count: 66
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION COME
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 STATE 161265, 76 SEOUL 2389
Review Action: RELEASED, APPROVED
Review Authority: KelleyW0
Review Comment: n/a
Review Content Flags:
Review Date: 28 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 MAY 2004 by ElyME>; APPROVED <23 SEP 2004 by KelleyW0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ROK ELECTRONIC SWITCHING PROJECT
TAGS: BEXP, KS
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006